	Georgia Technology Authority	
Title:	**Information Technology (IT) Portfolio Management Guidelines**	
PSG Number:	GM-09-002.01	Topical Area: IT Management / Project Management
Document Type:	Guideline	Pages: 6
Issue Date:	8/01/2008	Effective Date: 2/01/2009
POC for Changes:	Enterprise Program Management Office	
Synopsis:	Guidelines to implement an IT portfolio management methodology	

PURPOSE

Sets forth guidelines that may be helpful in implementing IT portfolio management methodology.

SCOPE AND AUTHORITY

See "Information Technology Policies, Standards and Guidelines", P-04-001.02.

GUIDELINES

1. A "Portfolio" is a collection of projects or programs and other work that are grouped together to facilitate effective management of that work to meet strategic business objectives. The projects or programs of the portfolio may not necessarily be interdependent or directly related. (PMBOK 3rd Edition)

2. "Portfolio Management" is the centralized management of one or more portfolios, which includes identifying, prioritizing, authorizing, managing, and controlling projects, programs, and other related work, to achieve specific strategic business objectives. (PMBOK 3rd Edition)

3. "Application Portfolio Management" is an inventory of applications, assessed by using a variety of criteria such as, 1) agreement with agency business strategies, initiatives or governmental priorities, 2) benefits and value to agency missions or business processes, 3) costs to maintain and operate, 4) ability to meet current and future agency business requirements, and 4) operational performance, technical status, and

risks. Assets (applications) should be retired when they no longer are cost-justified or risk-acceptable.

4. An agency's IT Portfolio may be divided and managed as three separate but integrated sub-portfolios for Applications, Projects and Workforce for appropriate portfolio components. Components should be defined by each agency based on the goals and objectives in its strategic and/or operational plan.   A "component" is defined as items "that are managed using the IT portfolio management process", including:

- a business case,
- a project,
- a program,
- a portfolio,
- an initiative, or
- other work.

5. A management framework should be defined and implemented for the full life cycle of an IT portfolio that includes processes for each component of the portfolio.

6. The IT portfolio (and any sub-portfolios) should provide detail and summary information on IT costs, risks and services or capabilities provided to the Agency or State enterprise. This information will be used to identify, analyze, evaluate and prioritize funding requests at least annually.

7. An agency's IT portfolio manager should establish and control recurring scheduled meetings with its IT portfolio management decision body to determine funding requests and set their priorities. The prioritization should be based on a balanced view of costs, risks and benefits of services or capabilities provided.

8. Appropriate ownership should be assigned within the agency to continuously review, track and monitor the agency's IT portfolio based on real expenditures, risk realization and service, and product delivery.

9. The IT portfolio management full life cycle processes that may be used to identify process flow and training needs within agencies are as follows:

A. COLLECTION

Gather and group each of the components in the agency's portfolio. Major deliverables and additional guidelines within this process group are:

- Component definition and item identification.

- Components may include,

  - An agency project or program request (eAPR),

- Business case,
- Project,
- Program,
- Portfolio,
- Initiative, or
- Other items per agency goals and objectives, such as an Operations Strategic Plans, Architecture Strategic Plans, and Security Strategic Plans or other documents involved with the agency's initiatives, programs or projects.

- An agency defined collection process.

B. IDENTIFICATION

Document, assemble and maintain the IT inventory (a list) of ongoing and proposed new components as potential items for categorization, used for future decision-making. Major deliverables and additional guidelines within this process group are:

- List of components.

- List of rejected components.

- Descriptions for each component.

- An agency defined collection process.

C. CATEGORIZATION

Determine strategic categories that each portfolio component will support. Ensure that each component is placed in only one category in the portfolio. Major deliverables and additional guidelines within this process group are:

- Category definitions.

- List of *categorized* components.

- Performance measures (metrics) identification.

- An agency defined categorization process.

D. EVALUATION

Score specific components using key indicators and their related weighted criteria for comparison purposes, used for further decision-making. Major deliverables and additional guidelines within this process group are:

- Value score definitions.

- List of categorized and *evaluated* components.

- Value score for each component.

- Graphical representations.

- An agency defined evaluation process.

E. SELECTION

Decide which components to pursue, defer, or terminate based on their evaluation scores. Major deliverables and additional guidelines within this process group are:

- List of categorized, evaluated and *selected* components.

- Recommendations concerning components to pursue, defer or terminate.

- An agency defined selection process.

F. PRIORITIZATION

Rank selected components within categories based on their evaluation scores and other management considerations. Major deliverables and additional guidelines within this process group are:

- List of prioritized components within each strategic category with supporting documentation.

- An agency defined prioritization process.

G. BALANCING

Review the portfolio for balance among components, maintaining the IT inventory (list) of approved, deferred or terminated portfolio components, and performing "what/if" scenario analyses to determine the portfolio's value for the State. Major deliverables and additional guidelines within this process group are:

- List of approved portfolio components.

- Updated master list of approved, inactivated and terminated elements.

- Updated approved portfolio component allocations.

- Recommendations.

- An agency defined balancing process.

-

H. AUTHORIZATION

Communicate the authorization to initiate work on a component included in the "balanced portfolio." Major deliverables and additional guidelines within this process group are:

- Additions to the active component IT inventory.

- Updated performance measurement (metrics) expectations.

- Approved component budget and exceptions.

- Approved component workforce (resource) allocations and exceptions.

- Excluded components.

- Portfolio milestones.

I. REVIEW

Regularly measure the value of each component in the portfolio against the agency's strategic plan. Report progress toward established goals and make recommendations concerning rebalancing for upcoming reviews. Major deliverables and additional guidelines within this process group are:

- Performance measurement (metrics) indicators.

- Performance measurement (metrics) reporting.

- Action/problem tracking log.

- Portfolio management communication plan.

- Recommendations concerning portfolio rebalancing of components for upcoming reviews and governance standards.

- Regular reports to stakeholders on:

- Assessments of the agency portfolio's health and each component's contribution to it.

- Progress reports toward established goals.

- Feedback information to strategic planning process such as Lessons Learned.

REFERENCES
- GTA Enterprise Program Management Office (EPMO) Methodology.

- The Project Management Institute (PMI) *Project Management Body of Knowledge* (*PMBOK*), Third Edition.

- The Project Management Institute (PMI) *Standard for Portfolio Management*, 2006.

- Project Management Glossary (G-08-104-01)